GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1457
ANSWERED ON:09.03.2017
Transfer of Coal Linkages
Patil Shri Chandrakant Raghunath

Will the Minister of COAL be pleased to state:

(a) whether the Government of Gujarat has requested the Union Government to supply the entire quantity of transfer of coal linkages of South Eastern Coalfields Limited (SECL) to Western Coalfields Limited (WCL) at notified price on permanent basis and if so, the response of the Union Government in this regard;

(b) whether the Union Government has received a proposal from the Government of Gujarat, for swapping of imported coal with a private generator/generating power for a State Utility and if so, the response of the Union Government in this regard;

(c) whether Coal India Limited (CIL) is levying penalty for short lifting of coal quantity from Gujarat State Electricity Corporation Limited (GSECL); and

(d) if so, whether the Government of Gujarat has requested to waive the payment of such penalty for short lifting of coal and if so, the response of Union Government in this regard?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF COAL, POWER, NEW AND RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) & (b): The Inter-Ministerial Task Force has recommended shifting of coal linkage of Gujarat State Electricity Corporation Ltd. (GSECL) of about 1.2 Million Tonne from South Eastern Coalfields Limited (SECL) to Western Coalfields Limited (WCL), leading to annual potential savings in transportation cost of about Rs.100 crore to GSECL. Presently, coal is supplied to GSECL from WCL against swapped quantities at the notified price. A proposal was received from Government of Gujrat for swapping of imported coal of a private generator/generating company with GSECL. The IMTF had recommended rationalisation of six swap sets, confined to public sector units. Swapping of 1.3 MT coal linkage between domestic coal of GSECL and imported coal of Sipat Thermal Power Plant (TPP) of National Thermal Power Corporation (NTPC) has also been implemented with annual potential savings of Rs.458 crore to GSECL.
(c) & (d): Coal India Limited (CIL) has received a request of GSECL to waive penalty for short-lifting of coal. The levy of penalty/compensation for short delivery/lifting of coal is as per the terms and provisions of Fuel Supply Agreement (FSA) which is a bilateral agreement of commercial nature based on "take or pay" principle.

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